

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-170-S - ORDER NO. 2004-441
SEPTEMBER 24, 2004

IN RE:	Application of Carolina Water Service, Inc.)	ORDER APPROVING
	for Approval of an Expansion of its Existing)	EXPANSION OF
	Sewer Service Area to Include Certain)	SERVICE AREA AND
	Portions of Lexington County, South Carolina)	CONTRACT
	and Approval of a Contract with Wright &)	
	Collins Development, LLC for Extension of)	
	Service to Proposed Sandy Oaks Subdivision.)	

This matter comes before the Public Service Commission of South Carolina (“Commission”) on the Application filed by Carolina Water Service, Inc. (“CWS”) seeking approval of an expansion to its authorized service territory and approval of a contract enabling CWS to provide sewer service to the proposed Sandy Oaks Subdivision in Lexington County, South Carolina (“Proposed Service Area”). By its Application, CWS seeks an extension of its authorized sewerage service area to include certain additional portions of Lexington County, South Carolina. Additionally, CWS seeks to provide sewer service to the proposed Sandy Oaks Subdivision in accordance with a contract between CWS and Wright & Collins Development, LLC (“Developer”). On the condition that no intervention is filed, CWS further requests that its Application be given expedited review or that the hearing on this matter be waived. CWS’s Application was filed pursuant to 26 S.C. Code Ann. Regs. 103-504 and 103-541 (Supp. 2003).

26 S.C. Code Regs. 103-504 (Supp. 2003) provides that “no existing public utility supplying sewerage disposal to the public ... shall hereafter sell, acquire, transfer, begin

the construction or operation of any utility system, or any extension thereof, ... without first obtaining from the Commission a certificate that the sale, transfer, or acquisition is in the public interest, or that public convenience and necessity require or will require construction or operation of any utility system, or extension.”

By letter dated July 8, 2004, the Commission’s Executive Director instructed CWS to publish a prepared Notice of Filing in newspapers of general circulation in the area affected by the Application. The purpose of the Notice of Filing was to provide notice of the Application to any interested parties and to advise interested parties of the manner and time in which to file pleadings to participate in the docket. CWS filed an Affidavit of Publication as proof that it had complied with the instructions of the Executive Director. No Petitions to Intervene, letters of protest, or comments were received by the Commission with regard to the instant Application. Although 26 S.C. Code Regs. 103-504 (Supp. 2003) also provides for notice and due hearing, 26 S.C. Code Regs. 103-501(3) (1976) provides that “in any case where compliance with any of these rules and regulations introduces unusual difficulty, such rules or regulations may be waived by the Commission upon a finding by the Commission that such waiver is in the public interest.” Where extensions to service territory have been sought by a utility due to a potential customer or customers seeking the service from the utility, this Commission notes that it has previously waived notice and hearing on such extensions as part of the public interest. Since the Developer desires to have its sewer service provided by CWS to the Proposed Service Area as provided in the Agreement, we grant to CWS a waiver of hearing and will therefore proceed to dispose of the matter summarily.

In seeking an extension of its service territory to include an additional portion of Lexington County, South Carolina and to enable CWS to serve the Sandy Oaks Subdivision pursuant to a contract between CWS and the Developer, CWS advises the Commission that as a public utility CWS currently operates wastewater systems under the jurisdiction of this Commission in Lexington County, as well as certain other counties in South Carolina. According to CWS, its corporate charter and appropriate bond are presently on file with the Commission. CWS states that by Commission Order No. 2001-887 in Docket No. 2000-207-W/S, the Commission approved a schedule of rates and charges for CWS's sewer service.

The sewer service area, for which expansion is sought, according to CWS, is located in Lexington County and is the subject of an agreement for wastewater service ("Agreement") between CWS and the Developer, entered into May 28, 2004. Attached to CWS's Application, as Exhibit A, is a copy of the Agreement. CWS also attaches, as Exhibit B to its Application, a description and precise location of the Proposed Service Area.

CWS states that its Glenn Village System will serve the Proposed Service Area. The Agreement provides, *inter alia*, that the Developer will construct all the necessary wastewater facilities required to connect the Proposed Service Area to CWS's Glenn Village System and will acquire all of the necessary easements and rights-of-ways. The provision for conveyance of the wastewater facilities and easements/right-of-ways to CWS from the Developer is provided for in the Agreement also.

Presently, according to CWS, the Proposed Service Area is not served by a public sewer utility subject to this Commission's jurisdiction. Furthermore, no governmental entity has sewer service facilities in the Proposed Service Area.

CWS addresses the terms, conditions, rates and charges by which it will provide sewer service in the Proposed Service Area. CWS requests approval to provide sewer service in the Proposed Service Area pursuant to the terms, conditions, rates and charges set forth in its existing rate schedule (to the extent modified same may be modified by this Commission in any rate adjustment proceeding) and in accordance with the terms of the Agreement.

Lastly, CWS states its belief that approval of the Application and Agreement will serve the public convenience and necessity.

Upon review of CWS's Application and the exhibits attached thereto, we find that the public convenience and necessity requires the requested extension.

IT IS THEREFORE ORDERED THAT:

1. The request of Carolina Water Service, Inc. to waive hearing of its request for an expansion of its existing service area to include a certain portion of Lexington County, South Carolina and approval of an agreement with Wright & Collins Development, LLC is granted upon the finding of this Commission that the requested waiver is in the public interest.

2. The Application of Carolina Water Service, Inc. for approval of an expansion of its existing service area to include a certain portion of Lexington County, South Carolina and approval of an agreement with Wright & Collins Development, LLC

is granted upon the finding of this Commission that the public convenience and necessity requires the expansion of Carolina Water Service, Inc.'s service area.

3. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

/s/
Randy Mitchell, Chairman

ATTEST:

/s/
G. O'Neal Hamilton, Vice Chairman

(SEAL)